

PATENT

Application No. 09/282,747  
Attorney Docket No.: 99-007

## REMARKS

Claims 1 - 42, 49 - 65, 72 - 78 and 80 - 81 are pending in the present application.  
Claims 1, 36-37, 41-42, 51-66, 72 - 74, and 81 are independent.  
Claims 43 - 48, 66 - 71 and 79 have been canceled.

## Personal Interview

Applicants thank the Examiner for extending the courtesy of the personal interview on July 17, 2002.

## Claim Amendments

Claim 23 erroneously depends from claim 21, and has been amended to correct the error. Claim 23 should instead depend from claim 22 since both these claims recite "receiving an indication that the customer has switched service providers". Claim 21 does not recite such a limitation.

## Section 102 Rejections and Section 103(a) Rejections

Applicants respectfully traverse the Examiner's Section 102 and 103 rejections.

Claims 1, 3, 8 - 16, 20 - 21, 28, 31, 33 - 36, 51 - 56 and 75 - 76 stand rejected as anticipated by U.S. Patent No. 5,721,827 to Logan et al.

Claims 4, 17 - 19, 32, 41 - 42, 60 - 65, 77 - 78 and 81 are rejected as being obvious in light of Logan. Applicants respectfully traverse the Examiner's Section 103(a) rejection.

Claims 2, 5 - 7, 22 - 27, 37 - 40, 49 - 50, 57 - 59, 72 - 74 and 80 are rejected as being obvious in light of Logan in combination with other subject matter.

Logan does not disclose or suggest any of the independent claims.

Specifically, the system of Logan does not and cannot, during a single transaction,  
receive an indication of at least one item the customer desires to purchase from the first vendor  
provide an offer, and  
charge if the offer is accepted

The Examiner's exact interpretation of which features of Logan anticipate the specific claim limitations is not stated. Applicants offer two interpretations which are both untenable.

First, if the Examiner believes that the "offer" of the claims is the advertising of Logan, then such offers in Logan cannot possibly be "accepted" as is required by the independent claims.

Second, if the Examiner believes that the "offer" of the claims is the initial request for approval to show advertising of Logan, then such offers in Logan are provided when a user registers, and thus these "offers" are provided before the user ever has a chance to indicate what

PATENT

Application No. 09/282,747  
Attorney Docket No.: 89-007

he desires to purchase. In other words, these "offers" cannot possibly be provided "in response to the received information relating to customer activity" (which occurs during the same "transaction" in which the customer is charged for the item) as is required by the independent claims.

Furthermore, such an "offer" of Logan cannot be provided "based on the information relating to customer activity", as is required by some of the independent claims

Accordingly, Logan does not teach or suggest any of the independent claims.

The Logan system cannot determine whether a user has watched an advertisement.

Claims 21 – 23 include the following limitation:  
*receiving an indication that the customer has fulfilled the obligation*

Applicants agree that, in Logan, credit is given for ads presented to users. However, even assuming that in Logan "there is [an] obligation to experience ads" (Office Action page 4), there is no disclosure in Logan of how to assure that users are watching the ads, or are even present when ads are shown.

However, the Examiner contends that "[Logan's] system can monitor whether [the] customer has fulfilled [his or her] obligation". However, there is no indication in Logan (or anywhere else) of how one would monitor whether someone watched an advertisement.

Accordingly, Logan does not anticipate or render obvious claims 21 – 23.

Claims 30 – 31 include the following limitation:  
*determining whether the customer participated in a transaction with the second vendor*

In the paragraph dealing with claims 28 and 29, the Examiner interprets the above limitation as the customer "experiencing the ads" (Office Action page 4). However, as discussed above, the Logan system cannot determine whether ads were actually viewed. Thus, Logan does not teach or suggest even this interpretation of claims 30 and 31.

Accordingly, Logan does not anticipate or render obvious claims 30 – 31.

There is no motivation to combine the Ellis article with Logan

Claims 24 – 27

Claims 24– 25 include the following limitation:  
*switching providers of a service that is provided to the customer*

Claims 26– 27 include the following limitation:

PATENT

Application No. 09/282,747  
Attorney Docket No.: 99-007

*initiating a new service agreement so that a particular service is provided to the customer by the second vendor*

The Ellis article essentially describes that some credit card firms provide benefits to entice customers to "switch allegiance" from their current credit card firm.

The Ellis article is non analogous art, and there is no motivation to combine it with Logan in the manner proposed by the Examiner.

Logan deals with showing advertising, while Ellis deals with switching credit card firms. The stated motivation to combine Logan with Ellis is "to extend the advantage of cross-selling to service providers and to acquire customers from a ready pool of most likely candidates, competitor's current customers." Nothing in the record suggests that Ellis' system, nor Logan's, deals at all with cross selling. Only Applicants disclosure does.

Claims 43 - 48, 66 - 71 and 79.

Claims 43, 44, 47 - 48, 66 - 71 and 79 are rejected as being obvious in light of WO 96/31848 Burdon in combination with U.S. Patent No. 5,537,314 to Kanter. Claims 45 and 46 are rejected as being obvious in light of WO 96/31848 Burdon in combination with Kanter and Nynex.

These claims have been canceled to be pursued to expedite prosecution. These claims will be pursued in a continuing application.

**Official Notice**

Officially-noted subject matter comprises the principal evidence upon which some rejections are based.

For example, Official Notice or other conclusions without support in the record (whether of the scope of the prior art or motivations to combine that may be inferred) is used or believed by Applicants to be used, for example, at the following locations:

Office Action mailed March 1, 2002, Page 12, paragraph six:

Office Action mailed May 21, 2001, Page 24, paragraph three:

"the method of charging a total price then discounting the whole total price so the net price is free is old and well known and obvious to incorporate if the merchants desire to give a free item."

Office Action mailed March 1, 2002, Page 17, paragraph six:

Office Action mailed May 21, 2001, Page 8, paragraph four:

"the method of providing a discount by charging the full amount then crediting the subsidy amount to the same credit card account so that the net resulting is the promised discounted second price is old and well known ...."

Office Action mailed May 21, 2001, Page 5, paragraph one:

"charging a second price, being less than the total price, to the credit card account when discounts are given is also old and well-known ..."

PATENT

Application No. 09/282,747  
Attorney Docket No.: 99-007

Office Action mailed May 21, 2001, Page 7, paragraph four:

"Explicit mention in the reference is not needed, one skilled in the art can readily infer such [a] fact."

Office Action mailed May 21, 2001, Page 7, paragraph five:

"[I]n real life, and thus well-known, the subsidy offer taught by the Nynex article is extended by the salesperson who receives, maybe face to face, the information that the customer just purchased ...."

Office Action mailed May 21, 2001, Page 9, paragraph two:

"the method of charging a total price then discounting the whole total price so the net price is free is old and well known and obvious to incorporate if the merchants desire to give a free item."

Office Action mailed May 21, 2001, Page 21, paragraph two:

"the step of crediting performed after the step of charging the total price is old and well-known."

Office Action mailed May 21, 2001, Page 25, paragraph four:

"Businesses are obviously not in the business of providing gifts and would be motivated to monitor whether their incentive program results in acquiring new customers."

Office Action mailed May 21, 2001, Page 27, paragraph one:

"businesses desire to measure and quantify the success of launched projects, including incentives campaigns"

From the description of the Official Notice or other unsupported conclusions, Applicants cannot properly determine the extent or validity of the Examiner's assertions. Accordingly, Applicants cannot precisely describe how the present invention would distinguish over this material since the exact nature of the prior art is not properly in the record. However, Applicants dispute that any prior art teaches what the examiner has stated in the broad terms used by the Examiner.

Accordingly, Applicants request a reference to describe such subject matter in more detail. MPEP 2144.03.

Applicants note that the burden is not on Applicants to persuade the Examiner of anything regarding officially noted subject matter, especially where that officially noted subject matter is the basis for a rejection under Section 103(a). Per MPEP 2144.03, the burden is on the Examiner to provide a reference once such a request has been made.

#### Improper Use of Official Notice

Applicants dispute all of the various assertions in the Office Action regarding what "is well known". Applicants likewise dispute all assertions which were not proper factual findings because they are mere unsupported conclusions.

PATENT

Application No. 09/282,747  
Attorney Docket No.: 99-007

Officially-noted subject matter cannot be used as the primary basis for a rejection under 103. In other words, official notice alone of what existed in the prior art is not permitted. A reference must be provided to show the scope and content of the prior art.

See, e.g., In re Ahlert, 424 F.2d 1088 (C.C.P.A. 1969) ("Assertions of technical facts in areas of esoteric technology must always be supported by citation to some reference work recognized as standard in the pertinent art and the appellant given, in the Patent Office, the opportunity to challenge the correctness of the assertion or the notoriety or repute of the cited reference. ... Allegations concerning specific 'knowledge' of the prior art, which might be peculiar to a particular art should also be supported and the appellant similarly given the opportunity to make a challenge.") (emphasis added);

In re Eynde, 480 F.2d 1364 (C.C.P.A. 1973) ("[W]e reject the notion that judicial or administrative notice may be taken of the state of the art. Facts constituting the state of the art in a patent case are normally subject to the possibility of rational disagreement among reasonable men, and are not amenable to the taking of judicial or administrative notice.") (emphasis added);

In re Pardo, 684 F.2d 912 (C.C.P.A. 1982) ("[T]his court will always construe [the rule permitting judicial notice] narrowly and will regard facts found in such manner with an eye toward narrowing the scope of any conclusions to be drawn therefrom. Assertions of technical facts in areas of esoteric technology must always be supported by citation to some reference work recognized as standard in the pertinent art and the appellant given, in the Patent Office, the opportunity to challenge the correctness of the assertion or the notoriety or repute of the cited reference.") (emphasis added)

Official Notice may be used, if at all, to clarify the meaning of a reference. See, e.g., In re Ahlert, 424 F.2d 1088 (C.C.P.A. 1969) ("Typically, it is found necessary to take notice of facts which may be used to supplement or clarify the teaching of a reference disclosure, perhaps to justify or explain a particular inference to be drawn from the reference teaching.") (emphasis added).

PATENT

Application No. 09/282,747  
Attorney Docket No.: 99-007**Conclusion**

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Dean Alderucci at telephone number 203-461-7337 or via electronic mail at Alderucci@WalkerDigital.com.

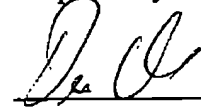
**Petition for Extension of Time to Respond**

Applicants hereby petition for a **three-month** extension of time with which to respond to the Office Action. Please charge \$460.00 for this petition to our Deposit Account No. 50-0271. Please charge any additional fees that may be required for this Response, or credit any overpayment to Deposit Account No. 50-0271.

If an extension of time is required, or if an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

September 3, 2002  
Date

Respectfully submitted,



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PATENT

Application No. 09/282,747  
Attorney Docket No.: 99-007

**C L A I M   A M E N D M E N T S  
M A R K E D   U P   F O R M**

Please **CANCEL** claims **43 – 48, 66 – 71 and 79**.

Please **AMEND** the claims as follows:

23. (AMENDED) The method of claim [21] 22, in which the step of receiving an indication that the customer has switched service providers comprises:
- determining a new customer of the second vendor; and
  - determining if the new customer had been offered a subsidy.